

November 12, 2002

RE: Tenaska Indiana Generating Station 125-12760-00039 125-13571-00039

TO: Interested Parties / Applicant

FROM: Paul Dubenetzky  
Chief, Permits Branch  
Office of Air Quality

### **Notice of Decision - PSD Permit Approval**

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision on the enclosed Prevention of Significant Deterioration (PSD) Permit. Pursuant to IC 13-15-5-3 and the federal requirements codified at 40 CFR Part 124.15 (b), this permit is effective thirty (30) days after the service of this notice. This permit may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3-7 and IC 13-15-6-1 require that you file a petition for administrative review. This petition describing your intent must be submitted to the Office of Environmental Adjudication, ISTA Building, 150 W. Market Street, Suite 618, Indianapolis, IN 46204, **within eighteen (18) days of service of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) the date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location and date of this notice. Additionally, IC 13-15-6-2 requires that a petition include:

- (1) the name and address of the person making the request; and
- (2) the interest of the person making the request; and
- (3) identification of any persons represented by the person making the request; and
- (4) the reasons, with particularity, for the request; and
- (5) the issues, with particularity, proposed for consideration at the hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

*(over)*

If you wish to challenge this decision under federal law, 40 CFR 124.19 requires that you petition the Environmental Appeals Board **within thirty (30) days of the service of this notice**, at the following address:

U.S. Environmental Protection Agency  
Environmental Appeals Board (MC-1103B)  
Ariel Rios Building  
1200 North Pennsylvania Ave., N.W.  
Washington, D.C. 20406

Pursuant to 40 CFR Part 124.19, the petition must include a statement of the reasons supporting review, including a demonstration that any issues being raised were raised during the public comment period or public hearing. When appropriate, the petition must also include a showing that the permit condition in question is based on:

- (1) a finding of fact or conclusion of law which is clearly erroneous; or,
- (2) an exercise of discretion or an important policy consideration which the Environmental Appeals Board should, in its discretion, review.

Pursuant to 40 CFR Part 124.19, the Environmental Appeals Board shall provide public notice of any grant or review. Notice of denial or review shall be sent only to the person(s) requesting review.

If you technical questions regarding the enclosed document, please call the Office of Air Quality, Permits Branch at 317-233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178

Enclosures

## Phase II Permit

### INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

#### Office of Air Quality

Source Name: Tenaska Indiana Generating Station  
Source Location: County Road 625 East, Otwell, IN 47564  
Owned by: Tenaska Indiana Partners, L.P.  
Operated by: Tenaska Indiana Partners, L.P.  
ORIS Code: 55441

This permit is issued to the above operator under the provisions of 326 Indiana Administrative Code (IAC) 21.

Operation Permit No.: AR 125-13571-00039	
Issued by:  Original signed by Janet G. McCabe Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: November 12, 2002  Expiration Date: November 12, 2007

## Title IV Operating Conditions

Title IV Source: six (6) natural gas fired combustion turbines designated as units GT-1 through GT-6 with a maximum heat input capacity of 2,112 MMBtu/hour higher heating value (HHV) per unit. Six (6) heat recovery steam generators, designated as units HRSG-1 through HRSG-6 with six (6) associated duct burners.

### 1 Statutory and Regulatory Authority

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In accordance with Indiana Code (IC) 13-17-3-4 and IC 13-17-3-11 as well as Title IV Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 Code of Federal Regulations 72 through 78).

### 2 Standard Permit Requirements [326 IAC 21]

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- (a) The designated representative has submitted a complete phase II permit application in accordance with the deadlines in 40 CFR 72.30.
- (b) The owners and operators of each affected source and each affected unit shall operate the unit in compliance with this phase II permit.

### 3 Monitoring Requirements [326 IAC 21]

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- (a) The owners and operators and, to the extent applicable, the designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR 75.
- (b) The emissions measurements shall be recorded and reported in accordance with 40 CFR 75 to determine compliance by the unit with the emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (c) The requirements of 40 CFR 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or emissions characteristics at the unit required by the Clean Air Act and any provisions of the operating permit for the source.

### 4 Sulfur Dioxide Requirements [326 IAC 21]

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- (a) The owners and operators of each source and each affected unit at the source shall:
  - (1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the unit's compliance subaccount, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and,
  - (2) Comply with the applicable emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.
- (c) An affected unit shall be subject to the requirements under paragraph (a) of the sulfur dioxide requirements as follows:
  - (1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
  - (2) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).
- (d) Allowances shall be transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (e) These units were not allocated allowances by the United States Environmental Protection Agency (U.S.

EPA) under 40 CFR part 73. However, these units must still comply with the requirement to hold allowances to account for sulfur dioxide emissions under subcondition (a) of this condition.

- (f) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the phase II permit application, this phase II acid rain permit, the acid rain portion of an operating permit, or the written exemption under 40 CFR 72.7 and 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization. Pursuant to 40 CFR 72.9(c)(7), allowances allocated by U.S. EPA do not constitute a property right.
- (g) These units have no sulfur dioxide (SO<sub>2</sub>) allowance allocations from U.S. EPA. Allowances shall be obtained from other units to account for the SO<sub>2</sub> emissions from these units as required by 40 CFR 72.9(c).

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5 Nitrogen Oxides Requirements [326 IAC 21]

Pursuant to 40 Code of Federal Regulations (CFR) 76, Acid Rain Nitrogen Oxides Emission Reduction Program, the units are not subject to the nitrogen oxide limitations set out in 40 CFR 76.

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6 Excess Emissions Requirements [326 IAC 21]

- (a) The designated representative of an affected unit that has excess emissions (as defined in 40 CFR 72.2) in any calendar year shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.

- (b) The designated representative shall submit such required information to:

Indiana Department of Environmental Management  
Air Compliance Section I, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015

and

Ms. Cecilia Mijares  
Air and Radiation Division  
U.S. Environmental Protection Agency, Region V  
77 West Jackson Boulevard  
Chicago, IL 60604-3590

and

U.S. Environmental Protection Agency  
Clean Air Markets Division  
1200 Pennsylvania Avenue, NW  
Mail Code (6204N)  
Washington, DC 20460

- (c) The owners and operators of an affected unit that has excess emissions (as defined in 40 CFR 72.2) in any calendar year shall:
  - (1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and,
  - (2) Comply with the terms of an approved offset plan, as required by 40 CFR 77 and 326 IAC 21.

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7 Record Keeping and Reporting Requirements [326 IAC 21]

- (a) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years, as required by

40 CFR 72.9(f), from the date the document is created. This period may be extended for cause, at any time prior to the end of the 5 years, in writing by U.S. EPA or IDEM, OAQ:

- (1) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5 year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
  - (2) All emissions monitoring information collected in accordance with 40 CFR 75.54 shall be retained on site for 3 years;
  - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
  - (4) Copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (b) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72.90, 40 CFR 75, and 326 IAC 21.

8 Submissions [326 IAC 21]

- (a) The designated representative shall submit a certificate of representation and any superseding certificate of representation to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.
- (b) The designated representative shall submit such required information to:
- Indiana Department of Environmental Management  
Permit Administration Section, Office of Air Quality  
100 North Senate Avenue, P.O. Box 6015  
Indianapolis, Indiana 46206-6015
- and
- U.S. Environmental Protection Agency  
Clean Air Markets Division  
1200 Pennsylvania Avenue, NW  
Mail Code (6204N)  
Washington, DC 20460
- (c) Each such submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.
- (d) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature, the following statement which shall be included verbatim in the submission:
- (1) "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made."; and,
  - (2) "I certify under penalty of law that I have personally examined, and am familiar with, the

statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

- (e) The designated representative of a source shall notify each owner and operator of the source and of an affected unit at the source:
  - (1) By the date of submission, of any Acid Rain Program submissions by the designated representative;
  - (2) Within 10 business days of receipt of any written determination by U.S. EPA or IDEM, OAQ; and,
  - (3) Provided that the submission or determination covers the source or the unit.
- (f) The designated representative of a source shall provide each owner and operator of an affected unit at the source a copy of any submission or determination under subcondition (e) of this condition, unless the owner or operator expressly waives the right to receive a copy.

9 Severability [326 IAC 21]

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Invalidation of the acid rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor shall invalidation of any other portion of the operating permit affect the continuing validity of the acid rain portion of the permit [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)].

10 Liability [326 IAC 21]

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- (a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to section 113(c) of the Clean Air Act and IDEM pursuant to 326 IAC 21 and IC 13-30-3.
- (b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement by U.S. EPA pursuant to section 113(c) of the Clean Air Act and 18 U.S.C. 1001 and IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.
- (c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (d) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to an affected source, including a provision applicable to the designated representative of an affected source, shall also apply to the owners and operators of such source and of the affected units at the source.
- (f) Any provision of the Acid Rain Program that applies to an affected unit, including a provision applicable to the designated representative of an affected unit, shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO<sub>x</sub> averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.
- (g) Each violation of a provision of 40 CFR Parts 72, 73, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a

separate violation of the Clean Air Act.

11 Effect on Other Authorities [326 IAC 21]

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No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (a) Except as expressly provided in Title IV of the Clean Air Act (42 U.S.C. 7651 to 7651(o)), exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;
- (c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;
- (d) Modifying the Federal Power Act (16 U.S.C. 791(a) et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.





1044 N. 115 Street, Suite 400  
Omaha, Nebraska 68154-4446  
402-691-9500  
FAX: 402-691-9526

125-13571-00039

November 21, 2000

RECEIVED

NOV 29 2000

Mr. Mack Sims  
INDIANA DEPARTMENT OF  
ENVIRONMENTAL MANAGEMENT  
100 N. Senate Avenue  
P.O. Box 6015  
Indianapolis, IN 46206-6015

State Of Indiana  
Department of Environmental Management  
Office Of Air Management

Re: Phase II Permit Application – Acid Rain Prevention Program

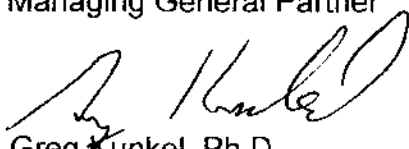
Dear Mr. Sims:

Enclosed is a copy of the Phase II Permit Application for the Tenaska Indiana Generating Station being submitted by Tenaska Indiana Partners, L.P. ("Tenaska"). The original of this application was sent to the U.S. Environmental Protection Agency's Acid Rain Program office in Washington, D.C.

If you have any questions concerning this application, please contact me at [gkunkel@tenaska.com](mailto:gkunkel@tenaska.com) or by telephone at (402) 691-9587.

**TENASKA INDIANA PARTNERS, L.P.**

By: Tenaska Indiana, Inc.,  
Its: Managing General Partner

  
By: Greg Kunkel, Ph.D.  
Manager of Environmental Affairs

Enclosure  
cc: Walt Russell



## Phase II Permit Application

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For more information, see instructions and refer to 40 CFR 72.30 and 72.31

This submission is: ☒ New ☐ Revised

**STEP 1**  
Identify the source by  
plant name, State, and  
ORIS code.

Plant Name	Tenaska Indiana Generating Station	State	IN	ORIS Code	55441
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a Unit ID#	Compliance Plan		d New Units  Commence Operation Date	e New Units  Monitor Certification Deadline
	b Unit Will Hold Allow- ances in Accordance with 40 CFR 72.9(c)(1)	c Repowering Plan		

**STEP 2**  
Enter the unit ID#  
for each affected  
unit, and indicate  
whether a unit is  
being repowered  
and the repowering  
plan being renewed  
by entering "yes" or  
"no" at column c. For  
new units, enter the  
requested information  
in columns d and e.

CTGDB1	Yes		April 2003	August 2003
CTGDB2	Yes		April 2003	August 2003
CTGDB3	Yes		April 2003	August 2003
CTGDB4	Yes		April 2003	August 2003
CTGDB5	Yes		April 2003	August 2003
CTGDB6	Yes		April 2003	August 2003
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			

**STEP 3**  
Check the box if the  
response in column c  
of Step 2 is "Yes"  
for any unit.

☐ For each unit that is being repowered, the Repowering Extension Plan form is included.

**STEP 4**  
Read the standard requirements and certification, enter the name of the designated representative, and sign and date

**Standard Requirements**

Permit Requirements.

- (1) The designated representative of each affected source and each affected unit at the source shall:
  - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
  - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
  - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and
  - (ii) Have an Acid Rain Permit.

Monitoring Requirements.

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements.

- (1) The owners and operators of each source and each affected unit at the source shall:
  - (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and
  - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
  - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
  - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).
- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7, 72.8, or 72.14 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements. The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements.

- (1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
- (2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:
  - (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
  - (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements.

- (1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
  - (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
  - (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply;
  - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
  - (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

**Tenaska Indiana Generating Station**

Plant Name (from Step 1)

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Liability.


- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7, 72.8, or 72.14, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO<sub>x</sub> averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.
- (7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities. No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7, 72.8, or 72.14 shall be construed as:

- (1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (2) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;
- (3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;
- (4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Michael C. Lebens	
Signature 	Date 11/3/00

DEC. 15. 2000 3:35PM

GROSS&amp;WELCH

ADD'L INFO/125-13571-00079/1313

NO. 0145 E. 1



A PROFESSIONAL CORPORATION OF LAWYERS

**FAX TRANSMITTAL COVER SHEET**

DATE: December 15, 2000

**PLEASE DELIVER THE FOLLOWING PAGES IMMEDIATELY**

TO: Bob Ondrusek - Indiana Dept. of Environmental Management

FROM: Nancy Roberts

ORIGINAL TO FOLLOW: No

TOTAL NUMBER OF PAGES (including cover sheet): 3

THE PERSON SENDING THIS TELECOPY IS: Susan

RE: Tenaska Indiana Generating Station

CLIENT NUMBER: 5739-1

FAX NO.: (317) 232-6749

COMMENTS: Pursuant to your correspondence with Walt Russell, I am forwarding the attached Certificate of Representation to you.

Nancy Roberts

**IF YOU DO NOT RECEIVE ALL OF THE PAGES,  
PLEASE CALL 402-392-1500 IMMEDIATELY****CONFIDENTIALITY NOTICE:** The material in this facsimile transmission is either private, confidential or constitutes work product and is intended only for the use of the individual(s) named herein. If you are not the intended recipient, be advised that any unauthorized use, disclosure, copying, distribution, or the taking of any action in reliance on this information is strictly prohibited. If you have received this transmission in error, please immediately notify us by telephone to arrange for return of this material to us.

800 Commercial Federal Tower  
2120 So. 72<sup>nd</sup> Street  
Omaha, NE 68124-2342  
Phone: (402) 392-1500  
Fax: (402) 392-1538



United States  
Environmental Protection Agency  
Acid Rain Program

OMB No. 2060-0258

# Certificate of Representation

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For more information, see instructions and refer to 40 CFR 72.24

This submission is: ☒ New ☐ Revised (revised submissions must be completed in full; see instructions)This submission includes combustion or process sources under 40 CFR part 74 ☐

## STEP 1

Identify the source by  
plant name, State, and  
ORIS code.

Plant Name	Tenaska Indiana Generating Station	State	IN	ORIS Code
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## STEP 2

Enter requested  
information for the  
designated  
representative.

Name	Michael C. Lebens, Vice President of Engineering		
Address	1044 N 115th Street, Suite 400 Omaha NE 68154-4446		
Phone Number	(402) 691-9515	Fax Number	(402) 691-9530
E-mail address (if available)	mlebens@tenaska.com		

## STEP 3

Enter requested  
information for the  
alternate designated  
representative, if  
applicable.

Name	Greg Kunkel, Manager of Environmental Affairs		
Phone Number	(402) 691-9587	Fax Number	(402) 691-9530
E-mail address (if available)	gkunkel@tenaska.com		

I certify that I was selected as the designated representative or alternate designated representative, as applicable, by an agreement binding on the owners and operators of the affected source and each affected unit at the source.

I certify that I have given notice of the agreement, selecting me as the "designated representative" for the affected source and each affected unit at the source identified in this certificate of representation, in a newspaper of general circulation in the area where the source is located or in a State publication designed to give general public notice.

I certify that I have all necessary authority to carry out my duties and responsibilities under the Acid Rain Program on behalf of the owners and operators of the affected source and of each affected unit at the source and that each such owner and operator shall be fully bound by my actions, inactions, or submissions.

I certify that I shall abide by any fiduciary responsibilities imposed by the agreement by which I was selected as designated representative or alternate designated representative, as applicable.

I certify that the owners and operators of the affected source and of each affected unit at the source shall be bound by any order issued to me by the Administrator, the permitting authority, or a court regarding the source or unit.

Where there are multiple holders of a legal or equitable title to, or a leasehold interest in, an affected unit, or where a utility or industrial customer purchases power from an affected unit under title-of-the-unit, firm power contractual arrangements, I certify that:

I have given a written notice of my selection as the designated representative or alternate designated representative, as applicable, and of the agreement by which I was selected to each owner and operator of the affected source and of each affected unit at the source; and

Allowances and the proceeds of transactions involving allowances will be deemed to be held or distributed in proportion to each holder's legal, equitable, leasehold, or contractual reservation or entitlement or, if such multiple holders have expressly provided for a different distribution of allowances by contract, that allowances and the proceeds of transactions involving allowances will be deemed to be held or distributed in accordance with the contract.

The agreement by which I was selected as the alternate designated representative, if applicable, includes a procedure for the owners and operators of the source and affected units at the source to authorize the alternate designated representative to act in lieu of the designated representative.

<b>Tenaska Indiana Generating Station</b>
Plant Name (from Step 1)

Certificate - Page 2

Page **2** of **2**

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Signature (designated representative)	Date
<i>[Signature]</i>	11/3/00
Signature (alternate designated representative)	Date
<i>[Signature]</i>	11/3/00

**STEP 5**

Provide the name of every owner and operator of the source and identify each affected unit (or combustion or process source) they own and/or operate.

<b>Tenaska Indiana Partners, L.P.</b>					<input checked="" type="checkbox"/> Owner <input checked="" type="checkbox"/> Operator	
Name						
<b>CTGDB1</b>	<b>CTGDB2</b>	<b>CTGDB3</b>	<b>CTGDB4</b>	<b>CTGDB5</b>	<b>CTGDB6</b>	
ID#	ID#	ID#	ID#	ID#	ID#	ID#
ID#	ID#	ID#	ID#	ID#	ID#	ID#

Name					<input type="checkbox"/> Owner <input type="checkbox"/> Operator	
ID#	ID#	ID#	ID#	ID#	ID#	ID#
ID#	ID#	ID#	ID#	ID#	ID#	ID#

Name					<input type="checkbox"/> Owner <input type="checkbox"/> Operator	
ID#	ID#	ID#	ID#	ID#	ID#	ID#
ID#	ID#	ID#	ID#	ID#	ID#	ID#

**Indiana Department of Environmental Management  
Office of Air Quality**

**Addendum to the  
Technical Support Document for  
Phase II Permit**

Source Name:	Tenaska Indiana Generating Station
Source Location:	County Road 625 East, Otwell, Indiana 47564
Owned by:	Tenaska Indiana Partners, L.P.
Operated by:	Tenaska Indiana Partners, L.P.
Acid Rain Permit No.:	AR 125-13571-00039
Reviewer:	Doug Wagner

On July 4, 2002, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) published a notice in The Press-Dispatch newspaper in Petersburg, Indiana, stating that IDEM, OAQ had prepared a draft of a phase II permit for the Tenaska Indiana Generating Station. The notice stated where the draft permit could be reviewed along with other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments to IDEM, OAQ regarding the draft permit.

On July 11, 2002, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) published a notice in The Press-Dispatch newspaper in Petersburg, Indiana, stating that IDEM, OAQ would hold a public hearing regarding this acid rain deposition control permit at the same time as the public hearing on the construction and operating permit, on July 30, 2002, at 6:00 p.m. at the Cafeteria, Petersburg Elementary School, 1415 E. Alford Road, Petersburg, IN.

IDEM, OAQ received one comment regarding this permit from Suzanne Lane.

Comment: Tenaska will emit large quantities of nitrogen oxide. How will this be monitored?

Response to Comment: Condition 3(a) of the permit requires the owners and operators of this source to comply with the monitoring requirements of 40 Code of Federal Regulations (CFR) 75. 40 CFR 75.10(2) requires the owners and operators of this source to install, certify, operate, and maintain a nitrogen oxides (NO<sub>x</sub>) continuous emission monitoring system. NO<sub>x</sub> monitoring will also be required in the New Source Construction Permit, number CP 125-12760-00039, for this source. No change was made to the permit as a result of this comment.



**Indiana Department of Environmental Management  
Office of Air Quality**

**Technical Support Document  
for Draft Phase II Permit**

Source Name:	Tenaska Indiana Generating Station
Source Location:	County Road 625 East, Otwell, IN 47564
Owned by:	Tenaska Indiana Partners, L.P.
Operated by:	Tenaska Indiana Partners, L.P.
ORIS Code:	55441
County:	Pike
Acid Rain Permit No.:	AR 125-13571-00039
Permit Reviewer:	Doug Wagner

The Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) has reviewed Tenaska Indiana Partners, L.P.'s application for a Phase II Permit. The application is for a source to be constructed at a site located at County Road 625 East in Otwell, Indiana. The source would be composed of six (6) natural gas fired combustion turbines designated as units GT-1 through GT-6 with a maximum heat input capacity of 2,112 MMBtu/hour higher heating value (HHV) per unit and six (6) heat recovery steam generators, designated as units HRSG-1 through HRSG-6 with six (6) associated duct burners.

### Program Description

The goal of Title IV of the federal Clean Air Act is to reduce the amount of sulfur dioxide and nitrogen oxides released to the atmosphere from power plants. These two pollutants play a large role in the formation of acid deposition. There are no known direct human health effects from acid deposition. Acid deposition does have a harmful effect on aquatic animals. It can also be harmful to essential soil bacteria. Additional information regarding acid deposition and the Acid Rain Program can be found on the Internet at the United States Environmental Protection Agency (U.S. EPA) site, at <http://www.epa.gov/airmarkets/>. Additional information in the form of maps showing the results of precipitation monitoring can be found on the Internet under <http://nadp.sws.uiuc.edu>.

The U.S. EPA has set a limit on the amount of sulfur dioxide emissions and the emission rate of nitrogen oxides for all regulated power plants, for each year from 2000 through 2009. The total sulfur dioxide emissions for all affected power plants in the nation have been limited to 9.4 million tons every year. That amount is 10 million tons less than the total emissions of sulfur dioxide in 1980. In 1993, U.S. EPA allocated a certain amount of sulfur dioxide emissions allowances to each power plant regulated by Phase II of the Acid Rain Program. Emissions of nitrogen oxides are being reduced by at least 2 million

tons per year, by setting limits on the emission rate of nitrogen oxides from coal-fired power plant boilers.

## Federal Rules

The emission allowances and conditions in this draft Phase II permit were taken from the limits developed by the U.S. EPA pursuant to Title IV of the Clean Air Act, 42 United States Code 7401, as amended by Public Law 101-5049 (November 15, 1990). The requirements of Title IV have been set out in regulations by U.S. EPA in parts 72 through 78 of Title 40 of the Code of Federal Regulations (CFR).

## Indiana's Rules

Title 326 of the Indiana Administrative Code (IAC) Article 21, Acid Deposition Control, has adopted the federal rules by referencing 40 CFR 72 through 78. These rules incorporate the requirements of Title IV of the 1990 Clean Air Act.

## Sulfur Dioxide Emission Allocations

The sulfur dioxide allowance allocation rule is set out in 40 CFR Part 73. The nation wide allocated sulfur dioxide emissions are 9,480,000 tons per year for 2000 through 2009. The 2010 cap is projected to reduce sulfur dioxide emissions to 8,900,000 tons per year. No allocations were made for new sources. New regulated power plants have to obtain sulfur dioxide emission allowances by purchasing them from preexisting power plants that received U.S. EPA allocations. A regulated power plant may have emission allowances to sell because the plant purchased newer, less polluting, equipment. The U.S. EPA keeps track of the transfer of all sulfur dioxide emission allocations in an official accounting system.

This source has no annual allocated sulfur dioxide emission allowances. These new units will be required to seek sulfur dioxide emission allowances from other units, in order to account for all sulfur dioxide emissions, as required by 40 CFR 72.9(c).

The sulfur dioxide emissions from these units will also be regulated by IDEM's construction permit. A draft construction permit for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. The draft construction permit has the number CP 125-12760-00039. Twelve months after a power plant begins operation it must file an application with IDEM to obtain a Part 70 operating permit.

## Nitrogen Oxide Limitations

Pursuant to 40 CFR 76, nitrogen oxide (NO<sub>x</sub>) emission limitations are applicable only to coal-fired utility and coal-fired substitution units that are subject to Phase I and Phase II sulfur dioxide reduction requirements. The units at this source will not burn coal as a fuel. The nitrogen oxide emissions from these units will also be regulated by IDEM's construction permit. A draft construction permit for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. The draft construction permit has the number CP 125-12760-00039. Twelve months after a power plant begins operation it must file an application with IDEM to obtain a Part 70 operating permit.

## Emissions Monitoring Requirements

The owners and operators and, to the extent applicable, the designated representative for the source must comply with the monitoring requirements set out in 40 CFR 75 and 72.9(b)(1) and (2). The source must measure and record its emissions of sulfur dioxide. The source must report these measurements to IDEM and U.S. EPA. These records and reports are used to determine if the source is in compliance with the sulfur dioxide allowances program. The requirements of the phase II permit do not affect the source's responsibility to monitor emissions of other pollutants or other emissions characteristics required by the Clean Air Act and other operating permit provisions. Monitoring requirements outlined in the source's phase II permit application are considered as part of the phase II permit. The source will have additional monitoring requirements, as set out by IDEM's construction permit. A draft construction permit for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. The draft construction permit has the number CP 125-12760-00039. Twelve months

after a power plant begins operation it must file an application with IDEM to obtain a Part 70 operating permit.

## Other Record Keeping and Reporting Requirements

The source must keep copies of all reports and compliance certifications it submits to demonstrate compliance with the requirements of the phase II permit for five years. The source must submit the reports and compliance certifications required by the phase II permit to the U.S. EPA and IDEM, OAQ. Record keeping and reporting requirements outlined in the phase II application are considered part of the phase II permit. The source will have additional record keeping and reporting requirements, as set out in IDEM's construction permit. A draft construction permit for this source was placed on public notice at the same time as the public notice for this draft phase II permit. The draft construction permit has the number CP 125-12760-00039. Twelve months after a power plant begins operation it must file an application with IDEM to obtain a Part 70 operating permit.

## Submissions

The designated representative for each emissions unit must sign and certify every report or other submission required by the phase II permit. The designated representative must include the following certification statement in every submission:

"I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

The designated representative must send each owner and operator of the source a notification regarding every submission. The designated representative must also notify each owner and operator of the source within 10 business days of the receipt of any written determination made by U.S. EPA or IDEM.

## Draft Phase II Permit

Based on the information IDEM received from the proposed operator, IDEM public notices this draft Phase II permit pursuant to 326 IAC 21.

## Additional Information

Questions regarding this draft Phase II permit can be directed to Doug Wagner at the Indiana Department Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana 46206-6015 or by telephone at (317) 232-0286 or toll free at 1-800-451-6027 extension 2-0286.

All sources are inspected by IDEM's compliance inspection staff. Persons seeking to obtain information regarding any source's compliance status or to report any potential violation of any permit condition should contact Wanda Stanfield at the Office of Air Quality (OAQ) address or by telephone at (317) 233-6864 or toll free at 1-800-451-6027 extension 3-6864.

Copies of the Code of Federal Regulations (CFR) referenced in the permit may be obtained from:

Indiana Department of Environmental Management  
Office of Air Quality  
100 North Senate Avenue

P.O. Box 6015  
Indianapolis, Indiana 46206-6015

or

The Government Printing Office  
Washington, D.C. 20402

or

on the Government Printing Office website at  
<http://www.access.gpo.gov/nara/cfr/index.html>